



MARYHILL HOUSING ASSOCIATION LIMITED

MINUTES OF THE BOARD MEETING HELD ON THURSDAY 28 SEPTEMBER 2023 AT 6.30 PM HYBRID MEETING FROM 45 GARRICOH ROAD, GLASGOW, G20 8RG

Board Members	In Person	Remote	Apols	Absent	Officers	Items
Lindsay Forrest (LF) - Chair	✓				Bryony Willett (BW) – CEO	1-9, 11-15
Paul Imrie (PI) – Vice Chair			✓		Jennifer Simon (JS) – Director of Operations	1-9, 11-15
Caitlyn Maccabe (CM)			✓		Rebecca Wilson (RW) – Director of Resources	1-9, 11-15
Jenny Crowe (JC)	✓				Gavin McNee (GM) – Communications Officer	1-9, 11-16
Tim Holmes (TH)		✓				
Valerie Wilson (VW)	✓					
Raphael Rickson (RR)			✓			
Viola McDade (VM)			✓			
Sonia Jordan (SJ)	✓					
William McNeilly (WMc)	✓					
Leave of Absence	Raphael Rickson (RR), Paul Imrie (PI)				Observer	Items

Item No.	Issue	Action By
1.	Welcome	
1.1	RW welcomed everyone to the meeting.	
1.2	Apologies were noted for PI, IM and VM.	
1.3	Leave of absences for RR and PI were discussed at agenda item 15.	
1.4	VW and LF declared an interest in agenda item 10, EVH Salary Negotiation. As such, they would be asked to leave the meeting when this item was discussed.	
2.	Election of Chair and Vice Chair	
2.1	LF stood for election as Chair and LF was confirmed as Chair by the Board.	
2.2	The Board decided to postpone the election of Vice Chair until PI returned from his leave of absence.	RW
2.3	RW handed over to LF as Chair to lead the rest of the meeting.	

Item No.	Issue	Action By
3.	Approval of Board Minutes – 21st August 2023	
3.1	The Board approved the minutes of the Board meeting held on 21 st August 2023.	DW
4.	Action Tracker	
4.1	A Board member asked if clarification had been received as to whether there should be no income levels linked to Mid-Market Rent properties as there were two actions in the tracker linked to the issue.	
4.2	BW confirmed that the Mid-Market Policy had been updated to reflect the inflationary increase in income levels, but that we may be required to make a further update to the Policy including amending income thresholds.	
4.3	The Board approved the closure of 19 items in the action tracker.	
5.	Feedback from Training/Events	
5.1	A Board member fed back that they had found this evening's pre-Board training on proposed financial indicators very good and that they had found it interesting.	
5.2	JS said that the tenant rent discussion sessions were relatively well attended.	
5.3	A Board member highlighted that the attendance at the events discussion could be higher if it had been advertised further in advance. BW advised that all tenants should have been issued with a text invite over a week in advance but undertook to investigate why this was not received by all tenants.	BW
6.	Feedback from Audit and Risk Committee	
6.1	The Chair of the Audit and Risk Committee confirmed that no approvals had been actioned as the meeting on 31 st August 2023 had not been quorate. All papers would be brought to the next meeting in November.	
7.	Assurance Statement	
7.1	BW introduced the Assurance Statement paper.	
7.2	The Board approved the proposed Assurance Ratings and proposed Assurance Statement.	BW
7.3	The Board approved delegating authority to LF, PI or VW to approve the final wording of the Assurance Statement following consultation with staff and customers.	
7.4	The Board agreed that BW would confirm to all Board Members via email if the Assurance Statement wording changed prior to submission.	BW
8.	Financial Performance Indicators and Covenants	
8.1	RW introduced the report and flagged that since the report was written RW had confirmed that the annual financial ratios are published by the Scottish Housing Regulator. This would allow comparison with a more appropriate benchmarking group than G8 members alone. RW proposed that the financial performance benchmarking group should be the same as the operational performance benchmarking group used for strategic performance reporting already.	

Item No.	Issue	Action By
8.2	The Financial Ratios at 5.5 were discussed and it was agreed that for the “Staff costs/turnover” and “Key management/personnel/staff costs” measures the comparison RSLs would be drawn from other Glasgow RSLs who had similar 24/7 concierge services.	
8.3	RW noted that three new measures were proposed for Financial Health Check Indicators at 5.7 in the report and these had been discussed in detail at the training session held immediately before the Board meeting.	
8.4	In light of this discussion RW advised that the new indicator for “Investment budgets based on robust asset management data” had been designed to provide assurance to the Board that the life cycle costing data is robust but also that it is appropriately used in developing the investment budget. The indicator may need to be reworded to make this clearer. Board discussed and agreed the proposed rewording of the indicator and confirmed the target should remain as proposed.	
8.5	A Board member queried how asset data was collected.	
8.6	RW advised that David Adamson and Partners have been commissioned to provide support to the Association around specifying stock condition surveys which would feed into the Asset Management Strategy.	
8.7	A Board member asked if the Association used asset management software.	
8.8	RW confirmed that this was currently spreadsheet based but this would be reviewed with the external advisors.	
8.9	RW advised that feedback had been received from our treasury advisers DTP on the other two new measures proposed. DTP had advised that rather than focusing on whether additional borrowing is funded by new income sources, instead the Association should consider overall how affordable any additional borrowing is based on debt repayment period. DTP felt this was already covered by the existing “Debt repayment within the 30 years” measure. RW advised that the reason for developing the two new indicators had been to give assurance to Board that the additional borrowing capacity created by the move to the new EBITDA covenant was not used unwisely.	
8.10	Considering DTPs feedback, RW proposed these two new indicators are not implemented, and instead proposed a new golden rule of “Debt repaid no later than Year 27” to ensure there was headroom built into the business plan over and above the repay by 30 years measure.	
8.11	A Board member asked that if the Association had spare income, should this be taken into consideration when determining what the next rent increase should be, rather than assuming additional borrowing.	
8.12	RW confirmed that yes it should be taken into consideration, as the proposed indicators would provide information on how the business was performing, however, just because we could borrow more money, it did not mean that we should.	

Item No.	Issue	Action By
8.13	RW advised that the purpose of the strategic financial indicators was to give Board an overview from various perspectives of the financial performance of the Association and should be considered in the round as an aid to decision making rather than as individual 'rules'.	
8.14	Board considered the new Treasury Golden Rule which had been proposed.	
8.15	A Board member asked whether we were being strict enough when setting the golden rule for loan covenants.	
8.16	RW confirmed that the proposed gold rules were as recommended by the Association's Treasury Advisers.	
8.17	The covenants are set by the bank, and so the Association must set a business plan to meet this and show we can meet debt within 30 years' time.	
8.18	RW added that it was our cash flow that demonstrates whether we can pay our debt.	
8.19	A Board member noted that DTP had previously mentioned asset cover as being a measure the bank considered and if this should be added to the Golden Rules. RW advised that yes this could be added.	RW
8.20	<p>The Board approved the proposed new strategic financial indicators, subject to the following changes:</p> <ul style="list-style-type: none"> - Amending the benchmarking group for financial performance ratios. - Amending financial health check indicator on investment budgets as discussed. - Replacing the two proposed financial health check indicators on borrowing with a new golden rule of "Debt repaid no later than Year 27". - Addition of a golden rule on asset cover. 	RW
8.21	The Board approved the new treasury golden rule of interest cover of 300% to reflect the upcoming move to EDITA only loan covenant.	RW
9.	Neighbourhood Team Pay	
	<i>Removed as Confidential.</i>	
10.	EVH Salary Negotiation	
	<i>Removed as Confidential.</i>	
11.	Gas Safety Policy	
11.1	JS introduced the report.	
11.2	A Board member queried whether a CP12 certificate was required for properties where the gas had been capped. JS confirmed that a CP12 certificate was required for these properties.	
11.3	The Board approved the proposed updated Gas Safety Policy.	JS/DW

Item No.	Issue	Action By
12.	Menopause Policy	
12.1	RW introduced the Menopause Policy.	
12.2	A Board member asked whether serious medical issues could lead to dismissal on ill health grounds and what impact this policy would have on a situation like this.	
12.3	RW confirmed this situation would be considered as menopausal symptoms by Managers and as these are not currently a protected characteristic, then this situation would be treated as if it were an ongoing medical condition or long-term health condition.	
12.4	The Board approved the draft Menopause Policy.	AMcL/ DW
13.	Maryhill Living Governance Approach	
13.1	RW introduced the report and provided an overview of the Maryhill Living Governance Approach.	
13.2	A Board member queried point 14 of the Lease where it stated that the payment of council tax was the responsibility of Maryhill Housing for any void properties.	
13.3	JS confirmed that it was the landlord's (in this case Maryhill Living's) responsibility to pay council tax if the property was void.	
13.4	The Board member highlighted that the lease stated that this was Maryhill Housing's responsibility.	
13.5	RW would seek confirmation from TC Young if this was an error and if so, the lease wording would be amended accordingly.	RW
13.6	The Board confirmed they were happy with this amendment.	
13.7	A Board member queried who was responsible for carrying out repairs detailed in point 18 of the Lease.	
13.8	BW confirmed that MHA are responsible for the repair and that this would be checked with TC Young as both points should be the same in both leases.	RW
13.9	The Board approved the draft leases between Maryhill Housing and Maryhill Living for the mid-market rent units at Locks View and Hathaway Lane, subject to changes at sections 14 and 18 noted above, and further review by Maryhill Living Board.	RW
13.10	The Board approved the draft service agreement between Maryhill Housing and Maryhill Living for the provision of services between the two organisations.	RW
13.11	The Board approved to delegate authority to the signatories for the leases between Maryhill Housing and Maryhill Living (CEO and Director of Resources) to vary the Schedule One of the Hathaway Lane lease so that the properties that are included in the lease (and the lease rental value) can be varied over time as more properties are purchased. The maximum number of properties that can be included under this lease is 20.	RW/ DW

Item No.	Issue	Action By
14.	CEO Report	
14.1	BW introduced the CEO Report.	
14.2	The Board approved the Health and Safety Policy.	BW/ DW
14.3	The Board approved the revised damp and mould strategic key performance indicators.	BW/DW
14.4	BW advised the Board verbally that the value of the unbudgeted spend required to bring forward boiler replacements was £668K. BW explained that it would be best to purchase these at this year's prices due to a levy being placed on boilers and that next year's prices have not yet been set in the contract.	
14.5	The Board agreed that it would benefit customers to bring these replacements forward.	
14.6	The Board approved £668K unbudgeted spend to bring forward 180 boiler renewals planned for 2024/25 to 2023/24.	BW
14.7	BW provided a verbal update on reinforced autoclaved aerated concrete (RAAC). Glasgow and West of Scotland Forum of Housing Associations (GWSF) confirmed that some residential properties could be affected and that four story properties and lower maisonettes are most likely. The Association was investigating whether the Cumlodden Estate was affected. As these properties were not built by MHA, a structural engineer would be commissioned to investigate.	
14.8	The Board asked how many units could be affected and BW confirmed there were around 330 units, however, approximately one third are owned.	
14.9	The Board queried whether owners would be affected. BW confirmed that they would be as they would not be able to claim on their buildings insurance as this was not classed as an 'event'.	
14.10	The Board noted that it was good news MHA was nominated for the CIH Awards. BW advised that as Locks View had been nominated, we have asked Cruden if they would be interested in buying a table at the event.	
14.11	RW noted that DW had been appointed as Procurement Manager.	
14.12	A Board member queried how the meeting with Queens Cross Housing Association had gone on 6 th September 2023. The Chair confirmed that it had been a very positive meeting and that there were a lot of similarities between the two associations.	
14.13	The Board approved the posts within the organisation that can be signatories for the acceptance of grant offers and submission of grant claims in respect of Glasgow City Council HAG and Stage 3 funding.	RW
15.	Governance Report	
15.1	RW introduced the Governance Report.	

Item No.	Issue	Action By
15.2	Removed as Confidential.	
15.3	RW also advised that two Board members have notified they are standing down from the Board. RR had to stand down for now due to a course he is attending. CM had also indicated she would be standing down from the Board due to family commitments. This would mean that there would be two casual vacancies on the Board.	
15.4	<p>The Board elected the following members:</p> <p>Audit and Risk Committee – WM, LF, PI, VW Staffing Panel – TH, JC, LF North West Hub – JC, LF Recruitment Panel – TH, SJ, LF Maryhill Living Board - VW</p>	
15.5	The Board approved the Audit and Risk Remit.	RW/DW
16	AOB	
16.1	RW highlighted that MHA would act as letting agent for Maryhill Living and that this would require the Association to register as a letting agent which may require a specific bank account to be set up. MHA has sought legal advice whether it would be MHA or Maryhill Living who required to have the account. RW confirmed that if a new bank account was needed, then in line with the Treasury Management Policy, Board approval would be required to set up a new MHA bank account to hold tenant deposits.	
16.2	Board approved setting up a new MHA bank account, if required, to allow Maryhill living or Maryhill Housing to manage mid-market rent customer deposits.	RW
16.3	JS advised that Countrywide, as our agent, would do this on our behalf until the account issue had been resolved.	
17.	Meeting Review	
17.1	The Chair advised that the agenda for Board meetings is sent in advance so that this was screened beforehand for number of agenda items.	
17.2	A Board member stated that although meetings could be item heavy, topics are always interesting.	
17.3	A Board member asked if the Board would consider starting the meeting at 6pm instead of 6.30pm.	
17.4	The Board asked that a poll should be sent to ask what Board members would prefer.	DW